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EXHIBIT 1
DATE 3/30/2011
SB 317

***Written Testimony Before the House Federal Relations, Energy, and Telecommunications
Committee on SB 317 (3/30/11)***

Dear Chairman Klock and Members of the Committee:

The two attached graphs demonstrate why SB 317 is necessary. They show the dramatic drop in exploration and the number of hardrock mines in Montana since the early 1990's. The main reasons for this are:

- Permitting has become so unpredictable, lengthy, and costly.
- Most significant permits are appealed and litigated.

It currently takes 7-10 years and millions of dollars to permit a new mine in Montana. An expansion of an existing mine can take 4-5 years and approximately 2 million dollars to permit. After permitting, appeals and expensive litigation delay the project several more years and cost around \$100,000 or more. Many companies refuse to explore in Montana for this reason, and instead focus their efforts in other states.

SB 317 resolves many of these issues by accomplishing the following:

- The analyses would be confined to those issues that are relevant, reasonable, and foreseeable.
- The number of frivolous lawsuits would be reduced.
- The economic benefits of a proposed project would be analyzed and considered.

I would be happy to discuss this further; my contact information is above.

Thank you very much,

Sincerely,

Fess Foster

Fess Foster Ph.D., CPG, QP



